

Twenty Years of Non-Stop Regulation

America's federal regulatory burden is \$1.8 trillion per year - larger than Canada's entire economy

Twenty years ago saw the release of the first edition of *Ten Thousand Commandments*, an annual report that tracks the cost and scope of the federal regulatory state. It's been a very busy two decades for Washington, with 81,883 new regulations hitting the books during that time. That's a new regulation every two hours and nine minutes—24 hours per day, 365 days per year, for 20 years.

A lot has changed since then. Encyclopedias, landline telephones, and paper maps are things of the past for most people. But some things have stayed the same. As the just-released 20th anniversary edition of *Ten Thousand Commandments* shows, every year, agencies continue to issue thousands of regulations costing billions of dollars. What is new is that the costs of federal regulation are at an unprecedented level. The total estimated burden is now up to \$1.8 trillion per year, or roughly half the size of the federal budget. This is larger than Canada's entire economy.



The number of specific regulatory restrictions listed in the *Code of Federal Regulations* (CFR) topped one million in 2010. The CFR has grown by more than 42,000 pages in the last twenty years. The most recent print edition contains 174,545 thrilling pages—nearly a quarter of which have been added since the Clinton administration took office. The print edition takes up 238 volumes, and the index alone runs 1,242 pages. The number of individual regulatory restrictions in the CFR topped one million in 2010; “Ten Thousand Commandments” turns out to be a gross understatement.

The *Federal Register* is a daily digest that lists all new proposed and final rules, along with other federal documents. The last two decades have seen nearly 1.43 million *Federal Register* pages published. The Obama administration is responsible for three of the four highest page counts, including a record 81,405 pages in 2011 — an indicator of how busy regulatory agencies have been under President Obama's watch.

More regulations are on the way; a little more than 4,000 are now in various stages of the rulemaking process. The Dodd-Frank financial bill alone could require as many as 398 new regulations; less than half have been implemented. The Affordable Care Act (Obamacare) is likewise still being phased in. The U.S. Environmental Protection Agency is busy planning its own multi-billion-dollar rules ranging from air quality standards to carbon emission limitations.

These eye-popping numbers are an extended cry for reform — reform every bit as urgent as that affecting our better-publicized spending and deficit troubles. There are many reform options.

One is an independent Regulatory Reduction Commission, modeled after the successful Base Realignment and Closure (BRAC) Commission of the 1990s, which trimmed billions of dollars' worth of unneeded military spending. Every year, this commission would comb through the books for old, obsolete, harmful, and redundant rules. It would then submit an annual repeal package to Congress for a prompt up-or-down vote with no amendments allowed. This would prevent vote-trading along the lines of “I'll vote to save your favorite regulation if you vote to save mine.”

The Regulatory Reduction Commission would continue to submit repeal packages every year for as long as necessary.

Another option is for every new regulation to automatically sunset after five years. Just as milk cartons have expiration dates, so should regulations, especially ones that affect rapidly changing technologies. As expiration dates approach, Congress can vote to keep regulations considered essential or beneficial, while repealing harmful or obsolete ones with minimum political pain.

The federal regulatory state has grown by leaps and bounds since the first *Ten Thousand Commandments* report started keeping an eye on it. As public awareness of America's regulatory excesses grows, reforms like the ones above are gaining popularity across the political spectrum. A recent poll by the College Republican National Committee, done as part of a larger attempt to diagnose the GOP's electoral troubles, found that 86 percent of millennial voters, who are overwhelmingly Democratic, favor trimming regulations.

This is a positive development going forward, because regulatory reform will require overwhelming public support. With a little luck and a lot of hard work, the next 20 years will see a much lighter regulatory burden than the previous 20.

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